

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR POLLUTION CONTROL

**Director's Review and Preliminary Determination of Permit Issuance
for**

**Nevada Mercury Control Program
Mercury Operating Permit to Construct**

June 4, 2010

Hycroft Resources & Development, Inc. has submitted an application for revision for Mercury Operating Permit to Construct (MOPTC) AP1041-2255, pursuant to NAC 445B.3663, to the Nevada Division of Environmental Protection-Bureau of Air Pollution Control (NDEP-BAPC) on April 30, 2010.

The applicable facility, located in air shed basin #23, in Humboldt County is:

*Hycroft Resources & Development, Inc.
Hycroft Mine
PO Box 3030
Winnemucca, NV 89446*

The NDEP-BAPC has reviewed the application and has made a preliminary determination to issue the revised MOPTC. The revised draft MOPTC consists of one retort and one smelt furnace with modified operating hours, work practice standards, and feed material for both units as well as a revised emission limit for the retort.

The draft MOPTC includes requirements for monitoring, recordkeeping, annual stack testing for mercury emissions, annual emissions reporting, annual mercury co-product reporting, limits of operation, work practice standards which minimize emissions of mercury to the atmosphere. Other permit content includes control technologies and mercury emission limits determined to be NvMACT for both the retort and the smelt furnace, pursuant to NAC 445B.3683.2(b).

Determination of proposed NvMACT mercury emissions performance for the retort is: 7.0×10^{-4} gr/dscf mercury; and for the smelt furnace it is: 5×10^{-6} gr/dscf mercury. Determination of proposed NvMACT mercury emissions control technology for the retort is: a chilled-water condenser followed by a sulfur impregnated carbon adsorption bed; and for the smelt furnace it is: a baghouse followed by a sulfur impregnated carbon adsorption bed.

None of the proposed projects will cause or contribute to a violation of any applicable Federal or State air quality standard. After review of the application and independent NDEP-BAPC analyses, the agency has determined that the Hycroft Resources & Development, Inc. revised MOPTC may be issued and operated. The proposed sources must comply with all State and Federal air quality requirements and all conditions established within the revised draft MOPTC.

Copies of this permit action's public notice and the revised draft Mercury Operating Permit to Construct are available for review on the Nevada Division of Environmental Protection - Bureau of Air Pollution Control website at: <http://ndep.nv.gov/baqp/hg/pub.html>